

**Local Agency Instructions
For
Preparing to Bid
Federal Aid Projects
Through MDOT**

Final

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Introduction

In order to obtain Federal Funding for your project, there are a number of requirements that must be met to assure Federal participation in your project. MDOT has been delegated by the FHWA to oversee the process. These guidelines exist to help assure that your project will not be jeopardized in receiving those funds. The Code of Federal Regulations is available at: <http://www.access.gpo.gov/nara/cfr/>

Overview

Bidding a project through the Federal Aid process to construction contract award requires good planning and understanding of the total process. If this process is new to you, be aware that the Local Agency Programs (LAP) Staff are very willing to help guide you through it. At any time during the process we will be glad to answer your questions and help you understand the many complexities that come with Federal Aid projects.

Most projects require a minimum of about 6 months from the submission of the Program Application to approximate Construction Award. The actual time depends greatly on the return time or lead time needed by the Local Agency. Some projects, due to their complexities, require a longer lead time.

Planning Schedule

Each year the Local Agency Programs publishes a Fiscal Year (FY) Project Planning Schedule. In order to meet a particular monthly letting date, it will suggest the lead time the Local Agency will need in order to ensure a timely completion. That schedule is published on the MDOT web site and can be accessed at:
http://www.michigan.gov/mdot/0,1607,7-151-9625_25885---,00.html

The Local Agency Programs Staff are divided into 3 broad areas of oversight:

The Urban Group handles Urban Funds, Safety funds and Small Urban Funds.

Larry Strzalka, Urban Program Manager (517) 335-2220

Email: Strzalkal@michigan.gov

The Rural Group handles Rural Funds and Enhancement Grants.

Doug Needham, Rural Program Manager (517) 335-2229

Email: Needhamd@michigan.gov

The Bridge Group handles Critical Bridge Funds.

Mark Harrison, Bridge Program Manager (517) 373-2346

Email: Harrisonm@michigan.gov

Depending on the project funding, you will be dealing primarily with one of these three groups. Each group has several Staff Engineers. One will be assigned to your project and

will stay with that project until completion.

The Process

1. The Program Application

The Program Application should be sent in as soon as you know you have Metropolitan Planning Organization (MPO) or Rural Task Force approval for your project and it is in the Transportation Improvement Plan (TIP) for the appropriate year. This allows us to assign a job number to the project and begin the tracking process. It must be submitted prior to a plan review or Grade Inspection (GI) being requested.

If Right-of-Way (ROW) or Grading Permits are needed to be acquired for the project, it must be detailed in the application, and then reviewed by the MDOT ROW section prior to bidding. *Grading Permits on a Federal Aid project are considered to be ROW.*

Railroad at grade crossings and Bridges may require extra time to coordinate review, permits and any work necessary. These are covered in the application.

Program Application

For **Road and Safety** Projects:

Available at: <http://www.mdot.state.mi.us/webforms/public/0260.pdf>

For **Bridge** Projects:

Available at: <http://www.mdot.state.mi.us/webforms/public/0258.pdf>

Bridge Projects will also require a TS&L (Type, Size & Location) review ahead of any GI.

For **Enhancement** Projects:

Available at: <http://www.mdot.state.mi.us/webforms/public/0259.pdf>

Enhancement projects may either be bid thru MDOT, or bid by the Local Agency. This choice, with its advantages and disadvantages, and its affect on the timing of project should be discussed with the Staff Engineer prior to scheduling a GI.

2. The Plan Preparations & Design Guidelines

For all MDOT bid projects, it is very important that plans be similarly prepared for bidders consistency. With all the Cities, Villages and Counties that have their own design standards, it becomes a challenge to be able to meet their needs and MDOT's.

a. Cover Sheet

For all MDOT bid projects, the Cover Sheet must contain the following information:

Title Block: (Top Center)
Local Agency
In Cooperation with
Michigan Department of Transportation
And The Federal Highway Administration (if Federally funded)

Project Title
Control Section: Job No:
Fed Proj No: * Fed Item No: * (*if Federally funded)

Project Location Map with N. Arrow & POB/POE Stationing (Center)
(Blow up will be necessary if road names are unreadable.)

Traffic Data: (Top Right)
Present ADT & Future ADT (20 yr)
Present % Commercial & Future % Commercial
Posted Speed
Design Speed

Project Description & Signature Block: (Bottom Right)
Description contains approx. length and major items of work
Signature block contains Signature and Seal of Design PE &
Signature of approval for Local Agency.

Sheet Index: (Top Left)

Standard Plan List: (Mid Left)

Design According to: (Bottom Left)
AASHTO or 3R
2003 MDOT Standard Specifications for Construction

b. Sheet Order

For most projects, the order beyond the Cover sheet is as follows: (if applicable)

- Typical Cross-section Sheet(s) Existing and Proposed
(include applicable HMA Application Table)
- General Note Sheet(s)
- Legend Sheet
- Alignment Sheet(s)
- Removal Sheet(s)
- Plan/Profile Construction Sheets from POB to POE at appropriate scale.
- Maintaining Traffic/Const. Staging Sheet(s)
- Soil Boring/ Pavement Coring Sheet(s)
- Signal Plan Sheet(s)
- Permanent Signing Plan Sheet(s)
- Pavement Marking Sheet(s)
- Standard Special Details Sheet(s)
- Bridge Plans Sheet(s)
- Quantity Sheet(s) for pay items (if desired)

c. Preparation Considerations

- Stationing should be clearly marked
- Utilities should be clearly marked, Gas lines should be double boxed and flagged with "Caution: Hazardous and/or Flammable Material"
- Fiber Optics should be flagged with "Caution: Critical Utility"
- ROW should be clearly marked and dimensioned.
- Items of work called for should match (exactly) pay items listed or labeled as "Paid for as _____"
- Fonts and scale should be adequate for readability once reduced to half size.
- No shading. It causes problems when reproducing.
- POB & POE clearly marked. (No work beyond POB or POE.)
- Pay Quantities listed each sheet.
- Appropriate plan notes included.
- Proposed Radii clearly marked.
- Street names clearly marked.
- HMA Mix designs should match Local Agency Programs HMA Selection Criteria. http://www.michigan.gov/mdot/0,1607,7-151-9625_25885---,00.html
- Alternatives will be considered with LA letter requesting alternative.*

d. Engineer's Estimate Preparation Considerations

Mobilization must be included & may not exceed 5% of the total Cost.
Use MDOT Pay Codes
Unique Special Provisions should have '7000 pay codes.
Special Provisions must follow MDOT format. (link?)
Pay Items in Cost Est. and Plans must match Spec. Provisions EXACTLY.
Separate Participating from Non-Participating Items
Round quantities to whole units. No decimals exc. LS items that are split.
Separate Bridge Items from Road Items.
Separate by Job Numbers if more than one is incorporated into the project.
Final Engineer's Estimate must be in MERL or SAPW hard copy with attached electronic copy. Electronic format must be .csv or .mrl (if in MERL).

3. The TS&L and/or the Pre-GI Meeting

For Bridge Projects, a TS & L (Type, Size and Location) submittal may be necessary for approval by the Staff Engineer prior to a GI being scheduled.

For some projects that are very complex or involving several local agencies, a pre-GI may be useful to expedite a project. Talk to the Staff Engineer assigned, to determine if that would be effective for your project.

4. The Plan Review or Grade Inspection Submittal (GI)

For all projects, once the plans are approximately 80% complete, you may request a Grade Inspection. The submittal must include:

Completed Program Application
Plans 80% or more Complete
Progress Clause
Maintaining Traffic Special Provision
HMA Application Estimate (if applicable)
Engineer's Cost Estimate by pay item
Unique Special Provisions
Notices To Bidders (if applicable)
Coordination Clause (if applicable)
Utility Coordination Clause
MDOT Standard Plans & Special Details
Available at: <http://www.mdot.state.mi.us/design/englishstandardplans/planindex.cfm#road>
Local Agency's Special Details (if applicable)
Log Plans (if applicable)
Soil Boring information
Pavement Design Calculation worksheets

Plans must be designed using MDOT 2003 Standard Specifications for Construction, and according to AASHTO Design or 3R Guidelines, as outlined in A Local Agency Programs Parameters for Geometrics. Available at:

http://www.michigan.gov/mdot/0,1607,7-151-9625_25885---,00.html

Design Exceptions must be submitted for approval through the Staff Engineer. A Local Agency Design Exception form is available at:

http://www.michigan.gov/mdot/0,1607,7-151-9625_25885---,00.html

5. The Plan Review or Grade Inspection Meeting

Once the Plan Review (GI) Submittal has been received and reviewed by the Staff Engineer, they will contact the Local Agency to schedule the GI Review meeting. This is normally within 30 days of receiving an acceptable plan package. The Local Agency will then contact the designated Project Engineer and/or the Design Engineer/Consultant. The Local Agency shall invite to the meeting representatives from all affected Utilities (or provide minutes of a previously held utility coordination meeting), other affected Local Agencies and the Design Engineers or Consultants. The designated Project Engineer MUST be in attendance (as well as the Project Supervisor, if applicable). The MDOT Staff Engineer will also invite the MDOT TSC Resident Engineer who will be responsible for the project once construction begins. If the project is on a NHS (National Highway System) route, an FHWA engineer will also be invited to attend the GI, by the Staff Engineer.

The Staff Engineer will visit the site and review the plans, either prior to, or after the GI Meeting, depending on preference and/or time available.

Meeting Agenda

The Agenda for the meeting typically is as follows:

- Introductions and Sign in
- Overview of project and projected start date
- Funding
- Utility concerns (Utility reps may be dismissed after this)
- Review of Plans
- Review of Cost Estimate
- Review of Special Provisions, Progress Clause, and other remaining issues.

The meeting time length generally is between 1.5 and 3.0 hours, depending on the complexity of the project.

Federal Participating Items

A determination of which items are Federally participating and which items are not, will be done at the GI. The final submission will then separate the participating items from the non-participating in the engineer's estimate. Items which are generally non-participating include: Sanitary Sewer construction, Water Main construction, Sidewalk construction, Landscaping and Irrigation, Construction Engineering items, and Parking aisles. Some items may be participating depending on circumstances and local MPO or Rural Task Force allowances. (link?)

Force Account Work

If there is any Force Account work desired to be Federally Participating, it will have to be determined at the GI whether or not it is eligible. The MDOT guidelines for eligibility for Force Account work include the following:

- * Force Account (FA) work must be done by Local Agency forces. No contracted or sub-let work will be allowed.
- * FA work must be a minimum of 6% under a maximum of \$100,000.00 of contracted work. (= \$94,000 max.) FA in excess of \$94,000.00 will have to have a 90 day Review by the House-Senate Fiscal Review Committee to be approved.
- * FA work must be justified to be in the public's best interest. Either by comparing the items of work estimated if bid, with the time and material of FA to be a minimum of 6% less than the bid work; or by actually bidding the work and then finding it in excess of 10% of the engineer's estimate. In which case, bids can be rejected and FA work considered if it is a minimum of 6% below the Engineer's estimate.

For more detail and further information see "Non-Competitive Bid Procedures" at:

http://www.michigan.gov/documents/MDOT-Local-Non-Competitive-Bid-Process_76203_7.pdf

6. The Final Submittal

The Final submittal must contain:

- Plans, 100% complete, consecutively numbered.
- Engineer's Estimate on MERL or SAPW, both hard copy and electronic. The electronic copy can be either on a disk or attached to an email.
- Clean, one sided copies of all Special Provisions and all other proposal items, including permits. No fax copies will be allowed.
- 8.5x11 Title Sheet if Log or Special Details are included in proposal. (Signed & Sealed by Engineer and Local Agency.)

Federal Obligation

Once final plans, Engineer's Estimate, and Special Provisions are submitted, MDOT will apply for Federal Obligation of funds. Once obtained, Federal Project and Item Numbers will be given to the Local Agency to be added to the plans. Mylars, or reproducible plans are required at a later time to insure that the Federal numbers are added prior to bidding.

Agreement

Upon obligation, a Local Agency/State Agreement will be prepared and sent to the Local Agency for signing. It outlines the project limits, associated costs, who participates in paying those costs and how the project will be paid. It must be signed by the Local Agency and MDOT, prior to any contract award. For Rural Projects, the final Cost Estimate determines the Federal Percentage ratio of funding.

Draft Package

For all projects (except for Enhancement projects that are locally let), the Staff Engineer will prepare the Draft Package and have it sent to the Local Agency for review prior to bidding. Any final comments, or corrections to the plans, engineer's estimate, or special provisions may be made at this point. Once the Local Agency has reviewed the Draft Package, a letter or email authorizing the project to bid must be received by the Staff Engineer, who will then, along with any changes, process the bid for the next letting. This will be outlined in a cover letter accompanying the draft package.

7. The Letting

Contractor Inquiries

Once the project has been advertised for letting, the Staff Engineer becomes the sole contact person for the contractor inquiries. Should the Local Agency get any contractor inquiries during the 4-5 weeks of advertising, they should direct the bidder's inquiries to the Staff Engineer. The Staff Engineer will consult with the Local Agency if necessary, to answer the inquiry and/or process an addendum. Any inquiries within 10 days of the letting are too late to process an addendum, and therefore may or may not get addressed by MDOT.

Letting Results

You may obtain letting results from: <http://www.mdot.state.mi.us/bids/>

Be aware that apparent low bidders may or may not be the confirmed low bidder. All results should be considered as preliminary until confirmed by MDOT.

Should the confirmed low bidder be below or up to 10% above the Engineer's Estimate, the Local Agency is committed to accepting the bid. If the low bidder is above 10% of the Engineer's Estimate, the Local Agency has the option to either accept or reject the bids. Should the Local Agency accept the low bid, it will need to justify to the Staff Engineer, why the estimate was not correct and/or why the bids were excessive, before the low bid can be accepted. This will be done on an item by item basis.

The Local Agency is not permitted to negotiate with any bidders prior to award.

Award of Contract

Once the contractor has submitted the fully executed contract, performance and lien bonds and other required documents, the contractor will be notified by MDOT Construction Contracts Section of the Award and give Notice to Proceed.

Preconstruction Meeting

After the low bidder has been confirmed, but prior to award, a preconstruction must be held and a Progress Schedule submitted to the MDOT TSC. Recognize that until there is an official MDOT award, the contractor may NOT perform any work on the project. The Staff Engineer does not need to attend the preconstruction meeting, but the MDOT TSC Engineer should be invited.

8. Force Account Work Reimbursement

Authorization

Should your project have Force Account work (or Construction Engineering) eligible for Federal reimbursement, it may not begin until authorized. Any work done prior to the effective date of the authorization is not eligible for reimbursement. The Staff Engineer will send written authorization along with the 802P forms necessary to request reimbursement.

802P Form

The reimbursement requests along with the 802P cover form must be sent to the authorizing Staff Engineer for evaluation and approval for reimbursement. Supporting documentation must be submitted for each request. Please keep in mind that each request will be reimbursed at the percent of the Project's Federal funding. The 802P form must be completed, signed, and dated in order to be processed for reimbursement.

Requests that are received significantly after the finalization of the project, may not be reimbursed.

Each request should be consecutively numbered and the final request should be so marked.

9. Project Completion.

After the construction of a project is completed, the MDOT TSC responsible for construction of the project will final out the project for the contract portion. The Force Account portion will remain open for generally 3 months afterwards to allow final billings to be completed.

Before MDOT Administration and Finance requests a final audit of the project they will send a letter to the Local Agency stating that in 6 months the project will be closed for final auditing. All final requests for reimbursement must be processed by that time.